



# Your Rights Under the Fair Credit Reporting Act Handout



Please note that this Information Paper only provides basic information and is not intended to serve as a substitute for personal consultations with a Legal Assistance Attorney.

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies (CRAs), including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA.

**You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information (See 15 § USC 1681m).

**You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:

- a person has taken adverse action against you because of information in your credit report;
- you are the victim of identify theft and place a fraud alert in your file;
- your file contains inaccurate information as a result of fraud;
- you are on public assistance;
- you are unemployed but expect to apply for employment within 60 days.

In addition, you are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. The three nationwide consumer reporting companies have set up a central website, a toll-free telephone number, and a mailing address through which you can order your free annual report. To order, go to [annualcreditreport.com](http://annualcreditreport.com), call 1-877-322-8228, or complete the Annual Credit Report Request Form found at [www.ftc.gov/bcp/online/include/requestformfinal.pdf](http://www.ftc.gov/bcp/online/include/requestformfinal.pdf) and mail it to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. Do not contact the three nationwide consumer reporting companies individually. They are providing free annual credit reports only through the above methods. Using the centralized methods mentioned above, you may order your reports from each of the three nationwide consumer reporting companies at the same time, or you can order your report from each of the companies one at a time. The law allows you to order one free copy of your report from each of the nationwide consumer reporting companies every 12 months (See 15 USCS § 1681g, 1681j).

**You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender (See 15 USC § 1681g, 1681j).

**You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.ftc.gov/credit](http://www.ftc.gov/credit) for an explanation of dispute procedures. Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information. Inaccurate, incomplete or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate (See 15 USC § 1681i).

**Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than ten years old ( 15 USC § 1681c).

**Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need -- usually to consider an application with a creditor, insurer, employer, landlord, or other business. The FCRA specifies those with a valid need for access (15 USC § 1681d).

**You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to [www.ftc.gov/credit](http://www.ftc.gov/credit). (See 15 USC § 1681b).

**You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt-out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688). (See 15 USC § 1681b).

**You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court. (See 15 USC § 1681n, 1681o).

**If you are on active duty, you may place an “active duty alert” in your credit report.** The last thing you want to worry about while you're on deployment is someone assuming your identity to commit financial fraud. Now, you don't have to. Amendments to the Fair Credit Reporting Act allow you to place an "active duty alert" in your credit report. According to the Federal Trade Commission, one of the agencies that enforces the FCRA, the alert requires creditors to verify your identity before granting credit in your name (See 15 USC § 1681c-1).

Your credit report contains information on where you live, how you pay your bills, and whether you've been sued, arrested, or filed for bankruptcy. Nationwide consumer reporting companies sell the information in your report to creditors, insurers, employers, and other businesses that use it to evaluate applications for credit, and a host of other activities, including insurance, employment, or renting a home.

Your credit report can be a tool to help you guard against - or discover - identity theft, which occurs when someone uses your personal information - like your name, your Social Security number, or your credit card number - to commit fraud. Identity thieves may use your information to open a new credit card account in your name. Then, when they don't pay the bills, the delinquent account is reported on

your credit report. Inaccurate or fraudulent information could affect your ability to get credit, insurance, or housing, now or in the future. People whose identities have been stolen can spend months or years cleaning up the mess the thieves have made of their names and credit records.

If you are a member of the military and away from your usual duty station, you may place an "active duty alert" on your credit report to help minimize the risk of identity theft while you are deployed. When a business sees the alert on your credit report, it must verify your identity before issuing you credit. The business may try to contact you directly, but if you're on deployment, that may be impossible. As a result, the law allows you to use a personal representative to place or remove an alert. Active duty alerts on your report are effective for one year, unless you request that the alert be removed sooner. If your deployment lasts longer, you may place another alert on your report.

To place an "active duty" alert, or to have it removed, call the toll-free fraud number of one of the three nationwide consumer reporting companies: Equifax, Experian, or Trans Union. The company will require you to provide appropriate proof of your identity, which may include your Social Security number, your name, address, and other personal information.

Equifax: 1-800-525-6285; [www.equifax.com](http://www.equifax.com)

Experian: 1-888-EXPERIAN (397-3742); [www.experian.com](http://www.experian.com)

TransUnion: 1-800-680-7289; [www.transunion.com](http://www.transunion.com)

Contact only one of the three companies to place an alert - the company you call is required to contact the other two, which will place an alert on their versions of your report, as well. If your contact information changes before your alert expire, remember to update it.

When you place an active duty alert, your name will be removed from the nationwide consumer reporting companies' marketing lists for prescreened offers of credit and insurance for two years - unless you ask that your name be placed on the lists before then. Prescreened offers - sometimes called "preapproved" offers - are based on information in your credit report that indicates you meet certain criteria set by the offeror.

To learn more about identity theft and your credit rights under the FCRA and the Fair and Accurate Credit Transactions Act, visit [ftc.gov/credit](http://ftc.gov/credit).

For further information or help feel free to make an appointment with a Legal Assistance Attorney, DSN 421-4152, Civ 0711-729-4152.

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#### References:

JAG Website - [www.jagcnet.army.mil/legal](http://www.jagcnet.army.mil/legal) (click on Consumer and Contract Matters and then Fair Credit Reporting)

Federal Trade Commission Website – [www.ftc.gov](http://www.ftc.gov)

15 USC § 1681 et seq.